

**INDIANOLA MUNICIPAL UTILITIES**



**Electric • Communications • Water**

**IMU Board of Trustees of the  
Electric, Water and Communications Utilities**

**July 13, 2020**

**City Hall Council Chambers**

**5:30 p.m.**

**Agenda**

1. Call to Order
2. Roll Call
3. Public Comments
4. Consent Agenda
  - A. Claims for June 30 and July 13, 2020.
  - B. June 22, 2020 Minutes.
5. Electric Utility Informational Items
6. Water Utility Action Items
  - A. Resolution approving the purchase of a backhoe for the Water Department.
7. Water Utility Informational Items
8. Communications Utility Informational Items
9. Combined Electric, Water and Communications Utilities Action Items
  - A. Resolution authorizing Denman and Company to perform audit services for Indianola Municipal Utilities.
10. Combined Electric, Water and Communications Utilities Informational Items
  - A. Discussion on an Investment Committee meeting.

11. Other Business

- A. Enter into closed session in accordance with Iowa Code Section 388.9(1) to discuss marketing and pricing strategies and proprietary information of the telecommunication division whose competitive position will be harmed by public disclosure that is not required of potential or actual competitors and no public purpose is served by such disclosure.

12. Adjourn

**IMU Regular Downstairs**

**4. A.**

**Meeting Date:** 07/13/2020

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**Information**

**Subject**

Claims for June 30 and July 13, 2020.

**Information**

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**Fiscal Impact**

**Attachments**

eLation Claims 0630

eLation Claims 0713

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AP Check Preview

Date Range: All Dates

Indianola Municipal Utilities

Friday, June 26, 2020  
12:12:15 PM

Vendor	Due Date	Notes	Terms	Bill Total	Discount	Interest	Amount Due	Payment	Invoice Number	Bill Number
<b>Account To Be Paid From      0000-10120-999</b>										
<b>Betty Sommar - VEND-1141 - BL-2892</b>										
7/12/2020	CreditRefund		Net 30	36.93	0.00	15.00	36.93	36.93	00056126-8	BL-2892
							<b>36.93</b>	<b>36.93</b>		
<b>Calix Inc - VEND-1028</b>										
7/15/2020	Adapters		Net 30	3,837.40	0.00	15.00	3,837.40	3,837.40	223543	BL-2989
							<b>3,837.40</b>	<b>3,837.40</b>		
<b>Carla Gripp - VEND-1141 - BL-2870</b>										
7/9/2020	CreditRefund		Net 30	12.26	0.00	15.00	12.26	12.26	00040993-4	BL-2870
							<b>12.26</b>	<b>12.26</b>		
<b>Casual Rags - VEND-1006</b>										
7/19/2020	Shirts		Net 30	287.80	0.00	15.00	287.80	287.80	153497	BL-2972
							<b>287.80</b>	<b>287.80</b>		
<b>City Of Indianola - VEND-1008 - BL-2996</b>										
7/23/2020	To reimburse claims paid in caselle		Net 30	4,250.83	0.00	15.00	4,250.83	4,250.83	Reimburse Caselle Claims	BL-2996
							<b>4,250.83</b>	<b>4,250.83</b>		
<b>City Of Indianola - VEND-1008 - BL-3021</b>										
7/25/2020	0620 Utility Payroll Expenses		Net 30	256,694.40	0.00	15.00	256,694.40	256,694.40	0620 Utility Payroll Exp	BL-3021
							<b>256,694.40</b>	<b>256,694.40</b>		
<b>Consortia Consulting - VEND-1009</b>										
7/19/2020	Consulting		Net 30	900.00	0.00	15.00	900.00	900.00	21438	BL-2984
							<b>900.00</b>	<b>900.00</b>		
<b>Construction By Cambron, LLC - VEND-1171</b>										
7/16/2020	Storage Building Project		Net 30	180,029.75	0.00	15.00	180,029.75	180,029.75	2	BL-3001
							<b>180,029.75</b>	<b>180,029.75</b>		
<b>CORE &amp; MAIN - VEND-102636</b>										
6/24/2020	Locator and Transmitter		Open Terms	3,827.00	0.00	0.00	3,827.00	3,827.00	M517620	BL-2991
6/20/2020	Leak Detecor		Open Terms	1,015.00	0.00	0.00	1,015.00	1,015.00	M524815	BL-2992
6/13/2020	4x30 Rep CPL		Open Terms	297.81	0.00	0.00	297.81	297.81	M489603	BL-2973



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## Indianola Municipal Utilities

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Vendor	Due Date	Notes	Terms	Bill Total	Discount	Interest	Amount Due	Payment	Invoice Number	Bill Number
							5,139.81	5,139.81		
Des Moines Register Media - VEND-1010										
5/31/2020	Board Of Trustee - Minutes	Net 30	267.08	0.00	15.00	267.08	267.08	0003363632	BL-3004	
							267.08	267.08		
Dust Pros Janitorial - VEND-1011										
7/20/2020	Electric Dept Cleaning - June	Net 30	1,305.40	0.00	15.00	1,305.40	1,305.40	2237	BL-3006	
7/20/2020	Janitorial Supplies	Net 30	80.57	0.00	15.00	80.57	80.57	2238	BL-3007	
							1,385.97	1,385.97		
Emilie Fischer - VEND-1141 - BL-2893										
7/15/2020	CreditRefund	Net 30	56.36	0.00	15.00	56.36	56.36	00011876-1	BL-2893	
							56.36	56.36		
Forget Properties - VEND-1141 - BL-2876										
7/11/2020	CreditRefund	Net 30	155.55	0.00	15.00	155.55	155.55	00037741-3	BL-2876	
							155.55	155.55		
Fox Sports Midwest - VEND-1097										
6/13/2020	Monthly Subs	Net 30	3,801.60	0.00	15.00	3,801.60	3,801.60	R62305	BL-2981	
							3,801.60	3,801.60		
Iowa One Call - VEND-1015										
7/17/2020	Electric Locates	Net 30	660.60	0.00	15.00	660.60	660.60	221739	BL-3005	
7/17/2020	Locates	Net 30	682.20	0.00	15.00	682.20	682.20	222431	BL-2993	
7/17/2020	Locates	Net 30	350.10	0.00	15.00	350.10	350.10	222430	BL-2983	
							1,692.90	1,692.90		
Jared Vickroy - VEND-1141 - BL-2867										
7/8/2020	CreditRefund	Net 30	4.30	0.00	15.00	4.30	4.30	00060488-4	BL-2867	
							4.30	4.30		
John Deere Financial - VEND-1106										
6/25/2020	Multi use acct #36105-20385	Net 30	53.47	0.00	15.00	53.47	53.47	63560054021	BL-2994	
5/17/2020	Multi use acct #36105-20385	Net 30	6.32	0.00	15.00	6.32	6.32	2875485	BL-2995	
							59.79	59.79		
Mahaska Communications Group - VEND-1017										

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Friday, June 26, 2020  
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	7/25/2020	0620 Customer Conversions	Net 30	1,608.60	0.00	15.00	1,608.60	1,608.60	0620 Customer Conversions	BL-2986
							<b>1,608.60</b>	<b>1,608.60</b>		
<b>MCMASTER-CARR SUPPLY CO - VEND-34108</b>										
	6/17/2020	Emergency Exit Replacement Lights	Open Terms	47.66	0.00	0.00	47.66	47.66	41069071	BL-3013
	6/18/2020	Parts for Turbine 8	Open Terms	24.54	0.00	0.00	24.54	24.54	41128483	BL-3014
							<b>72.20</b>	<b>72.20</b>		
<b>Melody Clutter - VEND-1141 - BL-2815</b>										
	7/1/2020	CreditRefund	Net 30	176.93	0.00	15.00	176.93	176.93	00042761-8	BL-2815
							<b>176.93</b>	<b>176.93</b>		
<b>Mid American Energy Co - VEND-1018</b>										
	7/17/2020	West Side Sub Backup Station Power	Net 30	10.10	0.00	15.00	10.10	10.10	000593164	BL-3016
	7/22/2020	Gas-111 South Buxton	Net 30	12.13	0.00	15.00	12.13	12.13	000789360	BL-3017
	7/22/2020	Gas-Generation Plant Boiler	Net 30	230.86	0.00	15.00	230.86	230.86	000776375	BL-3018
	7/22/2020	Gas for 1300 E Iowa Bldg B	Net 30	12.13	0.00	15.00	12.13	12.13	000754174	BL-3019
	7/22/2020	Gas for 1300 E IA Bldg A	Net 30	13.31	0.00	15.00	13.31	13.31	000762374	BL-3020
							<b>278.53</b>	<b>278.53</b>		
<b>Patriot Communications LLC - VEND-1036</b>										
	7/24/2020	Customer Installs	Net 30	7,125.00	0.00	15.00	7,125.00	7,125.00	1613	BL-2982
							<b>7,125.00</b>	<b>7,125.00</b>		
<b>Power &amp; Tel - VEND-1037</b>										
	7/10/2020	Splitter 2 slot	Net 30	2,761.01	0.00	15.00	2,761.01	2,761.01	6949738-00	BL-2987
	7/25/2020	Tonesable Sub	Net 30	2,542.58	0.00	15.00	2,542.58	2,542.58	6941662-00	BL-2988
							<b>5,303.59</b>	<b>5,303.59</b>		
<b>Power Solutions, LLC - VEND-1103</b>										
	7/16/2020	Cable	Net 30	2,586.48	0.00	15.00	2,586.48	2,586.48	6941662-01	BL-2985
							<b>2,586.48</b>	<b>2,586.48</b>		
<b>PRO-IMAGE SIGN &amp; LIGHTING - VEND-101452</b>										
	6/26/2020	IMU Work Shirts	Open Terms	104.33	0.00	0.00	104.33	104.33	2968	BL-3008
							<b>104.33</b>	<b>104.33</b>		
<b>Sage Homes - VEND-1141 - BL-2875</b>										
	7/11/2020	CreditRefund	Net 30	13.71	0.00	15.00	13.71	13.71	00017257-4	BL-2875

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## Indianola Municipal Utilities

Friday, June 26, 2020  
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Vendor	Due Date	Notes	Terms	Bill Total	Discount	Interest	Amount Due	Payment	Invoice Number	Bill Number
							13.71	13.71		
Thomas M Smith - VEND-1141 - BL-2869										
7/9/2020	CreditRefund	Net 30	160.74	0.00	15.00	160.74	160.74	00063069-3	BL-2869	
							160.74	160.74		
Torie Hommer - VEND-1141 - BL-2868										
7/9/2020	CreditRefund	Net 30	97.22	0.00	15.00	97.22	97.22	00027980-1	BL-2868	
							97.22	97.22		
U.S. Cellular - VEND-1104										
7/12/2020	Cel Phone Bill 0620	Net 30	601.51	0.00	15.00	601.51	601.51	0378783630-IMU	BL-2980	
							601.51	601.51		
UPHDM Occupational Medicine - VEND-1101										
6/28/2020	Employee Testing	Net 30	88.00	0.00	15.00	88.00	88.00	21386	BL-2974	
							88.00	88.00		
VAN METER INC - VEND-57213										
6/13/2020	Turbine Electric Switch	Open Terms	139.38	0.00	0.00	139.38	139.38	S011148716.001	BL-3002	
							139.38	139.38		
Vanderpool Plumbing & Heating - VEND-1066										
7/16/2020	Repairs to AC Units	Net 30	546.98	0.00	15.00	546.98	546.98	3031	BL-3009	
							546.98	546.98		
VERMEER SALES & SERVICE - VEND-57608										
6/23/2020	Trencher Repair	Open Terms	652.00	0.00	0.00	652.00	652.00	01170230	BL-3011	
							652.00	652.00		
WESCO - VEND-60220										
6/23/2020	FR Jeans	Open Terms	287.03	0.00	0.00	287.03	287.03	227154	BL-3012	
6/20/2020	FR Jeans	Open Terms	520.77	0.00	0.00	520.77	520.77	226184	BL-3010	
							807.80	807.80		
Check Count: 34				Totals:			\$478,975.73	\$478,975.73		

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Indianola Municipal Utilities

Tuesday, June 30, 2020

8:35:38 AM

Vendor	Due Date	Notes	Terms	Bill Total	Discount	Interest	Amount Due	Payment	Invoice Number	Bill Number
Account To Be Paid From		0000-10120-999								
Charles Gabus Ford - VEND-1172										
7/30/2020	2020 F250		Net 30	28,298.56	0.00	15.00	28,298.56	28,298.56	F20-1916	BL-3029
							28,298.56	28,298.56		
Check Count: 1			Totals:				\$28,298.56	\$28,298.56		

# AP Check Preview

Date Range: All Dates

## Indianola Municipal Utilities

Friday, July 10, 2020  
9:05:10 AM

Vendor	Due Date	Notes	Terms	Bill Total	Discount	Interest	Amount Due	Payment	Invoice Number	Bill Number
<b>Account To Be Paid From 0000-10120-999</b>										
<b>917 E Iowa Residential Co-Op - VEND-1141 - BL-3026</b>										
7/29/2020	CreditRefund		Net 30	2.90	0.00	15.00	2.90	2.90	00009523-0	BL-3026
							<b>2.90</b>	<b>2.90</b>		
<b>ACCO UNLIMITED CORP. - VEND-2810</b>										
6/30/2020	Liquid Chlorinating		Open Terms	1,366.44	0.00	0.00	1,366.44	1,366.44	0203281-IN	BL-3036
							<b>1,366.44</b>	<b>1,366.44</b>		
<b>AdGorilla - VEND-1118</b>										
7/18/2020	Ad insertion equipment tech support		Net 30	1,200.00	0.00	15.00	1,200.00	1,200.00	2184	BL-3134
							<b>1,200.00</b>	<b>1,200.00</b>		
<b>Avesis Third Party Administrators Inc - VEND-1108</b>										
8/8/2020	0620 Vision		Net 30	244.59	0.00	15.00	244.59	244.59	0620 Vision	BL-3141
							<b>244.59</b>	<b>244.59</b>		
<b>Bear Communications - VEND-1098</b>										
7/14/2020	Service Installs		Net 30	12,557.04	0.00	15.00	12,557.04	12,557.04	06202020	BL-3133
7/21/2020	Service Installs		Net 30	14,535.66	0.00	15.00	14,535.66	14,535.66	06272020	BL-3129
8/7/2020	Service Installs		Net 30	16,574.30	0.00	15.00	16,574.30	16,574.30	07042020	BL-3093
							<b>43,667.00</b>	<b>43,667.00</b>		
<b>Border States Industries Inc - VEND-1070</b>										
7/30/2020	Wide Range CT's-Donut Style		Net 30	258.33	0.00	15.00	258.33	258.33	920235042	BL-3076
8/1/2020	Street Light Connectors		Net 30	778.43	0.00	15.00	778.43	778.43	920251076	BL-3079
8/1/2020	Wide Range CT's		Net 30	1,088.78	0.00	15.00	1,088.78	1,088.78	920251075	BL-3080
							<b>2,125.54</b>	<b>2,125.54</b>		
<b>Brick Gentry P.C. - VEND-1004</b>										
7/25/2020	Legal Services		Net 30	555.00	0.00	15.00	555.00	555.00	330370	BL-3046
7/25/2020	Legal Fees		Net 30	225.00	0.00	15.00	225.00	225.00	330369	BL-3035
							<b>780.00</b>	<b>780.00</b>		
<b>Cedar Falls Utilities - VEND-1045 - BL-3120</b>										
7/31/2020	Labor and rack space		Net 30	6,059.81	0.00	15.00	6,059.81	6,059.81	90827	BL-3120
							<b>6,059.81</b>	<b>6,059.81</b>		
<b>Cintas Corporation - VEND-1007</b>										

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## Indianola Municipal Utilities

Friday, July 10, 2020  
9:05:10 AM

Vendor	Due Date	Notes	Terms	Bill Total	Discount	Interest	Amount Due	Payment	Invoice Number	Bill Number
	7/26/2020	First aid kit supplies/AED checks	Net 30	73.18	0.00	15.00	73.18	73.18	8404697779	BL-3084
							<b>73.18</b>	<b>73.18</b>		
<b>City Of Indianola - VEND-1008 - BL-3064</b>										
	8/5/2020	2615 July20	Net 30	89,241.50	0.00	15.00	89,241.50	89,241.50	2615 July20	BL-3064
							<b>89,241.50</b>	<b>89,241.50</b>		
<b>City Of Indianola - VEND-1008 - BL-3071</b>										
	8/7/2020	2nd Qtr Franchise Fees	Net 30	10,345.39	0.00	15.00	10,345.39	10,345.39	2nd Qtr Franchise Fees	BL-3071
							<b>10,345.39</b>	<b>10,345.39</b>		
<b>CR SERVICES - VEND-9247</b>										
	7/7/2020	Red Locate Flags	Open Terms	353.10	0.00	0.00	353.10	353.10	286675	BL-3096
	7/7/2020	Flags and safety glasses	Open Terms	543.30	0.00	0.00	543.30	543.30	286678	BL-3113
							<b>896.40</b>	<b>896.40</b>		
<b>Ditch Witch - VEND-1115</b>										
	6/27/2020	MFL TX Direct	Net 30	229.00	0.00	15.00	229.00	229.00	S16610	BL-3062
							<b>229.00</b>	<b>229.00</b>		
<b>Doug Shull - VEND-1105</b>										
	8/7/2020	0720 Treasury Contract	Net 30	83.34	0.00	15.00	83.34	83.34		BL-3068
							<b>83.34</b>	<b>83.34</b>		
<b>DOWNEY TIRE PROS - VEND-11879</b>										
	7/10/2020	Work on 2012 Ford Escape	Open Terms	1,002.76	0.00	0.00	1,002.76	1,002.76	38702	BL-3143
							<b>1,002.76</b>	<b>1,002.76</b>		
<b>Dust Pros Janitorial - VEND-1011</b>										
	8/5/2020	July Scrub and Buff	Net 30	180.00	0.00	15.00	180.00	180.00	2245	BL-3065
							<b>180.00</b>	<b>180.00</b>		
<b>ECHO Group, Inc - VEND-1061</b>										
	8/1/2020	Car PVC Elbow	Net 30	314.74	0.00	15.00	314.74	314.74	S8561239.001	BL-3127
							<b>314.74</b>	<b>314.74</b>		
<b>Fuse Technic LLC - VEND-1012</b>										
	7/31/2020	Consulting	Net 30	2,400.00	0.00	15.00	2,400.00	2,400.00	FT20200701004	BL-3130
							<b>2,400.00</b>	<b>2,400.00</b>		

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## Indianola Municipal Utilities

Friday, July 10, 2020  
9:05:10 AM

Vendor	Due Date	Notes	Terms	Bill Total	Discount	Interest	Amount Due	Payment	Invoice Number	Bill Number
G & G Lawn Care - VEND-1135										
7/31/2020	Burn down, razor burn	Net 30	64.20	0.00	15.00	64.20	64.20	16324	BL-3124	
7/31/2020	Spraying-East IA Facility	Net 30	770.40	0.00	15.00	770.40	770.40	16325	BL-3089	
7/31/2020	Spraying-West IA Substation	Net 30	128.40	0.00	15.00	128.40	128.40	16328	BL-3090	
7/31/2020	Spraying-West IA Substation	Net 30	256.80	0.00	15.00	256.80	256.80	16327	BL-3091	
							1,219.80	1,219.80		
George Kinshaw - VEND-1141 - BL-3023										
7/29/2020	CreditRefund	Net 30	5.35	0.00	15.00	5.35	5.35	00042284-0	BL-3023	
							5.35	5.35		
ImOn Communications LLC - VEND-1072										
7/30/2020	0620 Calling Minutes	Net 30	6,656.77	0.00	15.00	6,656.77	6,656.77	INV0033296	BL-3126	
							6,656.77	6,656.77		
IMU - VEND-8629										
7/2/2020	0620 Electricity for Fiber	Open Terms	734.90	0.00	0.00	734.90	734.90	10029937	BL-3138	
7/2/2020	0620 Electricity for Fiber	Open Terms	663.44	0.00	0.00	663.44	663.44	10036201	BL-3139	
7/2/2020	July utility bill	Open Terms	1,798.32	0.00	0.00	1,798.32	1,798.32	10029833	BL-3092	
7/2/2020	0620 Electricity for Fiber Dept	Open Terms	237.21	0.00	0.00	237.21	237.21	10032063	BL-3119	
							3,433.87	3,433.87		
Infomax Office Systems Inc - VEND-1013										
7/25/2020	Monthly charge and usage of color images	Net 30	2,744.84	0.00	15.00	2,744.84	2,744.84	27304078	BL-3067	
							2,744.84	2,744.84		
Innovative Systems - VEND-1048										
8/6/2020	0720 Utility Bills	Net 30	5,592.41	0.00	15.00	5,592.41	5,592.41	49600	BL-3069	
7/30/2020	Conversion from Caselle, eLation software	Net 30	5,912.50	0.00	15.00	5,912.50	5,912.50	49212	BL-3047	
8/1/2020	Software	Net 30	13,755.00	0.00	15.00	13,755.00	13,755.00	49433	BL-3059	
8/1/2020	Deferred Payment & Maint Fees	Net 30	8,680.56	0.00	15.00	8,680.56	8,680.56	49448	BL-3060	
7/31/2020	Monthly Fees	Net 30	1,200.00	0.00	15.00	1,200.00	1,200.00	49382	BL-3131	
							35,140.47	35,140.47		
Iowa Communities Assurance Pool - VEND-1059										
8/1/2020	Insurance	Net 30	97,213.88	0.00	15.00	97,213.88	97,213.88	0720 Premiums	BL-3041	
							97,213.88	97,213.88		
Iowa Realty - VEND-1141 - BL-3121										
8/8/2020	CreditRefund	Net 30	23.67	0.00	15.00	23.67	23.67	00050020-9	BL-3121	

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Date Range: All Dates

## Indianola Municipal Utilities

Friday, July 10, 2020  
9:05:10 AM

Vendor	Due Date	Notes	Terms	Bill Total	Discount	Interest	Amount Due	Payment	Invoice Number	Bill Number
							23.67	23.67		
John Deere Financial - VEND-1106										
7/31/2020	Multi use acct 36105-20385	Net 30	28.79	0.00	15.00	28.79	28.79	A444666	BL-3063	
							28.79	28.79		
KELLER'S GARAGE - VEND-102525										
6/27/2020	Unit 4 repairs	Open Terms	1,370.83	0.00	0.00	1,370.83	1,370.83	18281	BL-3099	
							1,370.83	1,370.83		
KNIA/KRLS - VEND-1090										
7/28/2020	Package, spirit of america	Net 30	89.75	0.00	15.00	89.75	89.75	20060479	BL-3135	
7/28/2020	30 Spots	Net 30	550.80	0.00	15.00	550.80	550.80	20060478	BL-3136	
							640.55	640.55		
Lori Davidson - VEND-1141 - BL-3042										
8/1/2020	CreditRefund	Net 30	207.00	0.00	15.00	207.00	207.00	00053833-8	BL-3042	
							207.00	207.00		
Lori Davidson - VEND-1141 - BL-3043										
8/1/2020	CreditRefund	Net 30	2.91	0.00	15.00	2.91	2.91	00022624-0	BL-3043	
							2.91	2.91		
Mark Ziino - VEND-1141 - BL-3022										
7/28/2020	CreditRefund	Net 30	219.00	0.00	15.00	219.00	219.00	00026880-8	BL-3022	
							219.00	219.00		
MCMASTER-CARR SUPPLY CO - VEND-34108										
6/23/2020	Battery	Open Terms	22.10	0.00	0.00	22.10	22.10	41322949	BL-3104	
							22.10	22.10		
Metlife - Group Benefits - VEND-1109										
7/31/2020	0620 Dental	Net 30	1,917.43	0.00	15.00	1,917.43	1,917.43	0620 Dental	BL-3114	
							1,917.43	1,917.43		
Mid American Energy Co - VEND-1018										
7/22/2020	Pole attachment fees	Net 30	120.00	0.00	15.00	120.00	120.00	000767703	BL-3103	
7/22/2020	Gas for 110 S B St	Net 30	12.91	0.00	15.00	12.91	12.91	000776274	BL-3140	
							132.91	132.91		



# AP Check Preview

Date Range: All Dates

## Indianola Municipal Utilities

Friday, July 10, 2020  
9:05:10 AM

Vendor	Due Date	Notes	Terms	Bill Total	Discount	Interest	Amount Due	Payment	Invoice Number	Bill Number
	7/2/2020	MMTG Dues July-Dec	Open Terms	1,805.00	0.00	0.00	1,805.00	1,805.00	1421	BL-3066
							<b>1,805.00</b>	<b>1,805.00</b>		
<b>MIDWEST UNDERGROUND - VEND-102021</b>										
	7/8/2020	Rom SK9999 nozzle	Open Terms	178.57	0.00	0.00	178.57	178.57	ID31383	BL-3086
							<b>178.57</b>	<b>178.57</b>		
<b>MILLER ELECTRIC SERVICES - VEND-34642</b>										
	7/3/2020	Changed out fan motor	Open Terms	518.57	0.00	0.00	518.57	518.57	15848	BL-3061
							<b>518.57</b>	<b>518.57</b>		
<b>MUNICIPAL SUPPLY INC - VEND-35810</b>										
	6/24/2020	Bolts and Flange	Open Terms	2,084.70	0.00	0.00	2,084.70	2,084.70	0765685-IN	BL-3040
							<b>2,084.70</b>	<b>2,084.70</b>		
<b>Mutual Of Omaha - VEND-1107</b>										
	8/1/2020	0620 Premiums	Net 30	1,343.17	0.00	15.00	1,343.17	1,343.17	0620 Premiums	BL-3115
							<b>1,343.17</b>	<b>1,343.17</b>		
<b>NEBRASKA MUNICIPAL POWER POOL - VEND-36660</b>										
	7/1/2020	Annual Electrical Distribution under billed by thi	Open Terms	10.00	0.00	0.00	10.00	10.00	64860	BL-3082
							<b>10.00</b>	<b>10.00</b>		
<b>Patriot Communications LLC - VEND-1036</b>										
	8/7/2020	Customer Installs	Net 30	5,125.00	0.00	15.00	5,125.00	5,125.00	1618	BL-3081
							<b>5,125.00</b>	<b>5,125.00</b>		
<b>Power &amp; Tel - VEND-1037</b>										
	7/15/2020	Sealant Silicone 8 oz	Net 30	214.55	0.00	15.00	214.55	214.55	6988375-00	BL-3137
							<b>214.55</b>	<b>214.55</b>		
<b>RESCO - VEND-47234</b>										
	6/30/2020	10KV Arresters	Open Terms	401.90	0.00	0.00	401.90	401.90	790886-00	BL-3116
	6/17/2020	25 KVA AND 50 KVA SINGLE PHASE TRANS	Open Terms	11,734.48	0.00	0.00	11,734.48	11,734.48	780445-00	BL-3074
							<b>12,136.38</b>	<b>12,136.38</b>		
<b>Rick Agan - VEND-1141 - BL-3027</b>										
	7/29/2020	CreditRefund	Net 30	31.98	0.00	15.00	31.98	31.98	00041258-6	BL-3027
							<b>31.98</b>	<b>31.98</b>		

# AP Check Preview

Date Range: All Dates

## Indianola Municipal Utilities

Friday, July 10, 2020  
9:05:10 AM

Vendor Due Date	Notes	Terms	Bill Total	Discount	Interest	Amount Due	Payment	Invoice Number	Bill Number
<b>SPEE-DEE DELIVERY SERVICE INC - VEND-102273</b>									
6/30/2020	Shipping to test high voltage gloves	Open Terms	42.54	0.00	0.00	42.54	42.54	4024425	BL-3100
						<b>42.54</b>	<b>42.54</b>		
<b>Steven &amp; Evelyn Mc Coy - VEND-1141 - BL-2979</b>									
7/25/2020	CreditRefund	Net 30	116.39	0.00	15.00	116.39	116.39	00041757-0	BL-2979
						<b>116.39</b>	<b>116.39</b>		
<b>SUMMIT DRILLING LLC - VEND-103054</b>									
7/8/2020	Directional Bore	Open Terms	1,500.00	0.00	0.00	1,500.00	1,500.00	1473	BL-3117
						<b>1,500.00</b>	<b>1,500.00</b>		
<b>T &amp; R SERVICE COMPANY - VEND-52009</b>									
7/3/2020	Used Transformer Disposal	Open Terms	1,147.00	0.00	0.00	1,147.00	1,147.00	81106	BL-3088
						<b>1,147.00</b>	<b>1,147.00</b>		
<b>Terry-Durin Co - VEND-1038</b>									
7/29/2020	Pull Tape and Pulling Soap	Net 30	303.88	0.00	15.00	303.88	303.88	59230-00	BL-3098
7/30/2020	Wire	Net 30	4,430.00	0.00	15.00	4,430.00	4,430.00	27449-00	BL-3125
						<b>4,733.88</b>	<b>4,733.88</b>		
<b>Troy &amp; Sonjia Bass - VEND-1141 - BL-3000</b>									
7/26/2020	CreditRefund	Net 30	123.18	0.00	15.00	123.18	123.18	00040995-6	BL-3000
						<b>123.18</b>	<b>123.18</b>		
<b>Troy/Sonjia Bass - VEND-1141 - BL-2999</b>									
7/26/2020	CreditRefund	Net 30	69.82	0.00	15.00	69.82	69.82	00053519-7	BL-2999
						<b>69.82</b>	<b>69.82</b>		
<b>TrueNorth Companies LC - VEND-1100</b>									
7/19/2020	Safety Committee	Net 30	16.68	0.00	15.00	16.68	16.68	102095	BL-3045
						<b>16.68</b>	<b>16.68</b>		
<b>Unite Private Networks - VEND-1054</b>									
7/31/2020	Dark Fiber	Net 30	3,055.39	0.00	15.00	3,055.39	3,055.39	SI-20-009235	BL-3142
						<b>3,055.39</b>	<b>3,055.39</b>		
<b>Vanderpool Plumbing &amp; Heating - VEND-1066</b>									
7/25/2020	AC Unit-Charging	Net 30	225.24	0.00	15.00	225.24	225.24	3064	BL-3102
7/31/2020	Repair AC Unit	Net 30	137.50	0.00	15.00	137.50	137.50	3087	BL-3085

# AP Check Preview

Date Range: All Dates

## Indianola Municipal Utilities

Friday, July 10, 2020  
9:05:10 AM

Vendor	Due Date	Notes	Terms	Bill Total	Discount	Interest	Amount Due	Payment	Invoice Number	Bill Number
							362.74	362.74		
VEENSTRA & KIMM - VEND-57600										
6/27/2020	Work on vehicle storage building	Open Terms	429.50	0.00	0.00	429.50	429.50	7		BL-3038
							429.50	429.50		
Warren County 911 - VEND-1132										
8/7/2020	2nd Qtr 2020 E911 Fees	Net 30	1,869.12	0.00	15.00	1,869.12	1,869.12	2nd Qtr 2020 E911 Fees		BL-3070
							1,869.12	1,869.12		
WARREN COUNTY TREASURER - VEND-59867										
6/26/2020	0919 and 0320 Taxes	Open Terms	955.00	0.00	0.00	955.00	955.00	0919 and 0320 Taxes		BL-3044
							955.00	955.00		
Waste Management - VEND-1086										
7/26/2020	2 Yard Dumpster Service	Net 30	106.90	0.00	15.00	106.90	106.90	6748627-0516-9		BL-3037
							106.90	106.90		
Weinman Insurance - VEND-1129										
6/12/2020	20-21 Boiler and Machinery	Net 30	38,554.00	0.00	15.00	38,554.00	38,554.00	102825		BL-3072
							38,554.00	38,554.00		
WESCO - VEND-60220										
7/8/2020	Red and Orange Locate Paint	Open Terms	634.30	0.00	0.00	634.30	634.30	250363		BL-3083
7/9/2020	Cable Prep Kits	Open Terms	410.88	0.00	0.00	410.88	410.88	251317		BL-3122
6/27/2020	10 KU Elbow Arresters	Open Terms	895.98	0.00	0.00	895.98	895.98	235900		BL-3105
6/27/2020	Tap Wire	Open Terms	646.28	0.00	0.00	646.28	646.28	235899		BL-3106
6/27/2020	Ground Rods	Open Terms	117.30	0.00	0.00	117.30	117.30	235898		BL-3107
7/1/2020	Transformer Basements	Open Terms	3,614.25	0.00	0.00	3,614.25	3,614.25	239921		BL-3108
7/1/2020	Ground Connectors and Ground Rods	Open Terms	201.30	0.00	0.00	201.30	201.30	239922		BL-3109
							6,520.29	6,520.29		
Wiegert Disposal Inc - VEND-1081										
7/31/2020	0620 Garbage Pickup	Net 30	110.00	0.00	15.00	110.00	110.00	0620 Garbage Pickup		BL-3101
							110.00	110.00		
Wisconsin Independent Network, LLC - VEND-1067										
7/31/2020	Ethernet and internet	Net 30	4,838.00	0.00	15.00	4,838.00	4,838.00	WIN006073		BL-3128

AP Check Preview

Date Range: All Dates

Indianola Municipal Utilities

Friday, July 10, 2020  
9:05:10 AM

Vendor	Due Date	Notes	Terms	Bill Total	Discount	Interest	Amount Due	Payment	Invoice Number	Bill Number
							4,838.00	4,838.00		
YMCA Of Greater Des Moines - VEND-1169										
7/30/2020	0720 Wellness	Net 30	100.00	0.00	15.00	100.00	100.00	0720 Wellness	BL-3118	
							100.00	100.00		
Check Count: 64					Totals:	\$399,291.11	\$399,291.11			

**IMU Regular Downstairs**  
**Meeting Date:** 07/13/2020

**4. B.**

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**Information**

**Subject**

June 22, 2020 Minutes.

**Information**

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**Fiscal Impact**

**Attachments**

Minutes

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## BOARD OF TRUSTEE MINUTES - REGULAR SESSION – June 22, 2020

The Board of Trustees met in regular session on June 22, 2020, in the City Hall Council Chambers. Chairperson Mike Rozga called the meeting to order at 5:30 pm and on roll call the following members were present: Mike Rozga, Adam Voigts and via phone, Jim McClymond and Lesley Forbush. Absent: none.

The consent agenda consisting of the following was approved on a motion by Voigts and seconded by Forbush. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Claims list for June 22, 2020.

Minutes from June 8, 2020.

April 2020 Treasurer's Report.

Mike Metcalf, Electric Superintendent, reported on the Electric Department projects.

Resolution 2020-26 approving an amended tower lease with USCOC of Greater Iowa, LLC (US Cellular) was introduced on a motion by McClymond and seconded by Voigts. On roll call, the votes were AYES: Forbush, Rozga, McClymond and Voigts; NAYS: none. Whereas the Chairperson declared the motion carried unanimously.

Approval of pay application number one from Construction by Cambron, LLC in the amount of \$180,029.75 for the 2020 Vehicle Storage Building Project was introduced on a motion by Voigts and seconded by McClymond. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

It was moved by Forbush and seconded by McClymond to approve authorization for Warren Water to serve an IMU Customer. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Lou Elbert, Water Superintendent, reported on the Water Department projects.

Kurt Ripperger, Telecommunications Superintendent, provided an update on the telecommunications department.

It was moved by Voigts and seconded by McClymond to approve Resolution 2020-27 approving a \$1.00/month bill credit for utility customers who receive their bill only in an electronic format. On roll call, the votes were AYES: Forbush, Rozga, McClymond and Voigts; NAYS: none. Whereas the Chairperson declared the motion carried unanimously.

Resolution 2020-28 approving liability, auto, property, worker's compensation and machinery and equipment replacement insurance for Fiscal Year 21 was introduced on a motion by McClymond and seconded by Forbush. On roll call, the votes were AYES: Forbush, Rozga, McClymond and Voigts; NAYS: none. Whereas the Chairperson declared the motion carried unanimously.

Voigts moved and McClymond seconded to approve Resolution 2020-29 setting the salary for a union employee of IMU for the period beginning June 21. On roll call, the votes were AYES: Forbush, Rozga, McClymond and Voigts; NAYS: none. Whereas the Chairperson declared the motion carried unanimously.

Chris Des Planques, General Manager, presented the energy efficiency rebate program that will go into effect on July 1, 2020.

Voigts moved and McClymond seconded at 6:07 pm to go into closed session in accordance with Iowa Code Section 21.5(1)(c) to discuss strategy with counsel on matters that are presently in litigation or where litigation is imminent where its disclosure would be likely to prejudice or disadvantage the position of the governmental body in that litigation. On roll call, the votes were AYES: Forbush, Rozga, McClymond and Voigts; NAYS: none. Whereas the Chairperson declared the motion carried unanimously.

It was moved by Voigts and seconded by Forbush to come out of closed session at 6:30 pm. On roll call, the votes were AYES: Forbush, Rozga, McClymond and Voigts; NAYS: none. Whereas the Chairperson declared the motion carried unanimously.

Meeting adjourned at 6:30 p.m. on a motion by Voigts and seconded by Forbush.

---

Mike Rozga, Chairperson

ATTEST:

---

Jackie Raffety, Deputy City Clerk

**IMU Regular Downstairs**

**6. A.**

**Meeting Date:** 07/13/2020

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**Information**

**Subject**

Resolution approving the purchase of a backhoe for the Water Department.

**Information**

In your packet are bids for a backhoe for the Water Department. Staff has reviewed the bids and recommends accepting the bid from Murphy Tractor for \$85,300.00.

Roll call is in order.

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**Fiscal Impact**

**Attachments**

Backhoe bids

Resolution Approving Purchase

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### Quote Summary

**Prepared For:**

INDIANOLA MUNICIPAL UTILITIES CITY OF  
INDIANOLA  
Po Box 356  
Indianola, IA 50125  
Business: 515-961-9444

**Prepared By:**

TONY PEARCE  
Murphy Tractor & Equipment  
5087 E Broadway Ave  
Des Moines, IA 50317-4744  
Phone: 515-263-0055  
Mobile: 515-346-9660  
tpearce@murphytractor.com

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<b>Quote Id:</b>	22115498
<b>Created On:</b>	11 June 2020
<b>Last Modified On:</b>	15 June 2020
<b>Expiration Date:</b>	31 July 2020

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Equipment Summary	Qty	Extended
JOHN DEERE 310SL BACKHOE LOADER	1	
<b>Equipment Total</b>		<b>\$ 85,300.00</b>

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**Quote Summary**

Equipment Total	\$ 85,300.00
SubTotal	\$ 85,300.00
Total	\$ 85,300.00
<b>Balance Due</b>	<b>\$ 85,300.00</b>

Salesperson : X \_\_\_\_\_

Accepted By : X \_\_\_\_\_

**Customer:** INDIANOLA MUNICIPAL UTILITIES  
**Address:** 111 S BUXTON ST  
INDIANOLA, IA 50125-4833

**County:** WARREN **PO:**  
**Phone:** 515-961-9444

**2nd Signer:**  
**Address:**

**Sales Tax Possession / Receiving Location:**  
**IA, WARREN, INDIANOLA**

**Seller:** TITAN MACHINERY-DES MOINES  
**Address:** 2290 54TH AVE NE  
DES MOINES, IA 50313-2571

**Phone:** 515-974-5100 **JACOB ZUERCHER**

**NOTICE TO PURCHASER**

1. Read this contract before you sign it.
2. You are entitled to an exact and completely filled in copy of this contract when you sign it. Keep it to protect your legal rights.
3. Purchaser acknowledges receipt of a fully completed copy of this contract and Purchaser waives notice of the acceptance or rejection of this order by the seller.
4. The Acknowledgments and Additional Terms and Conditions are a part of this contract and are incorporated herein by reference.

**Purchased Equipment Information**

Type	Qty	Product	PDI	Warranty	Tag #	Serial Number	Sales Price
New	1	CASE, 580SNWT, BACKHOE	NO	Factory	2701668	NKC764170	102,500.00
-							
-							
-							
-							
-							
-							
-							
-							

**Trade-In Equipment Information**

I (we) offer to sell, transfer and convey the following item(s) at or prior to the time of delivery of the above product, as a "trade-in" to be applied against the cash price. Such items shall be free and clear of all security agreements, liens, and encumbrances at the time of transfer to you. The following is a description and the price allowed for each item.

Qty	Description of Trade In	Tag #	Serial Number	Amount
-----	-------------------------	-------	---------------	--------

**1. Total Sales Price** 102,500.00

Tax Breakdown	Amount	2. Total Trade In Allowance	0.00
		3. Balance	102,500.00
		4. Total Tax (No Sales if Paying Excise Tax)	0.00
		5. Other Options, Charges, Fees	0.00
		6. Trade Payoff / Pre Barter	0.00
		7. Total Due	102,500.00
		<b>SETTLEMENT</b>	
		8. Cash Payment	0.00
		9. Cash Due: (Date)	0.00
		10. Retail Installment Contract	102,500.00
		11. Total Settlement	102,500.00

<b>Total Taxes</b>	<b>0.00</b>
<b>Other Options, Charges &amp; Fees</b>	<b>Amount</b>
<b>Total Other Options, Charges and Fees</b>	<b>0.00</b>

**It is understood that this is the entire agreement between the parties**

Customer \_\_\_\_\_ Date \_\_\_\_\_ Salesperson: \_\_\_\_\_  
JACOB ZUERCHER

Customer \_\_\_\_\_ Date \_\_\_\_\_ Accepted By: \_\_\_\_\_

Indianola Municipal Utilities

**RESOLUTION NO 2020-**

**RESOLUTION APPROVING PURCHASE OF A BACKHOE LOADER FOR THE WATER DEPARTMENT**

**WHEREAS**, the Indianola Municipal Utilities Water Department received bids for a backhoe loader; and

**WHEREAS**, Murphy Tractor and Equipment of Des Moines, Iowa, submitted the low bid; and

**WHEREAS**, the purchase of the backhoe loader is included in the department's budget.

**NOW, THEREFORE BE IT RESOLVED**, that the Indianola Municipal Utilities Board of Trustees hereby approves the purchase of a backhoe loader from Murphy Tractor for \$85,300 and authorizes IMU staff to execute documents to finalize the purchase.

Passed and adopted this 13<sup>th</sup> day of July 2020.

---

Mike Rozga, Chairperson

ATTEST:

---

Jackie Raffety, Deputy City Clerk

**IMU Regular Downstairs**

**9. A.**

**Meeting Date:** 07/13/2020

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**Information**

**Subject**

Resolution authorizing Denman and Company to perform audit services for Indianola Municipal Utilities.

**Information**

Roll call is in order.

---

**Fiscal Impact**

**Attachments**

Audit RFP Memorandum

State Auditor Response

BKD Proposal

Resolution

Denman Proposal

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July 10, 2020

To: IMU Board of Trustees  
 From: Chris Longer, HR/Finance  
 Subj: IMU Financial Audit RFP

IMU Trustees,

On June 17<sup>th</sup>, 2020 IMU issued an RFP for Financial Audit Services. The request was for a three-year agreement, for services relating fiscal years 2020, 2021 and 2022. Attached are the full proposals received and a summary of complete results are shown below:

<u>Firm</u>	<u>FY Ending 6-30-20</u> (includes cash to accrual adjustments)	<u>FY Ending 6-30-21</u>	<u>FY Ending 6-30-22</u>
Denman & Co. LLP West Des Moines, Iowa	\$14,900	\$13,600	\$14,000
Meriwether, Wilson & Co. PLC West Des Moines, Iowa	No Response		
RSM US LLP Des Moines, Iowa	No Response		
BKD LLP West Des Moines, Iowa	\$40,500	\$38,000	\$39,500
Schoenauer, Musser & Co. PC Clive, Iowa	No Response		
Schnurr and Company Bondurant, Iowa	No Response		
CLA Des Moines West Des Moines, Iowa	No Response		
Larson, Watson, Bartling & Juffer, LLP Ames, Iowa	No Response		
Office of Auditor of State Des Moines, Iowa	Declined		

Based on the above results, I am recommending Denman & Co. LLP for the Board's consideration.



**OFFICE OF AUDITOR OF STATE**  
**STATE OF IOWA**

Rob Sand  
Auditor of State

State Capitol Building  
Des Moines, Iowa 50319-0004  
Telephone (515) 281-5834 Facsimile (515) 281-6518

July 8, 2020

Chris Longer, Finance Director  
Indianola Municipal Utilities  
210 W. 2<sup>nd</sup> Ave.  
Box 356  
Indianola, Iowa 50125

Dear Chris,

Thank you for sending your request for proposal to the Auditor of State. Since our practice consists entirely of governmental audits, we believe we possess the required qualifications to provide the Indianola Municipal Utilities with high quality audit services, and we would like to be able to perform your audit.

Unfortunately, however, we are not in a position at this time to commit resources to perform your audit because of the number of audits already planned. Therefore, we must decline to respond to your request for proposal.

If you have questions regarding this or should you desire the services offered by the Office of Auditor of State in the future, please contact us.

Sincerely,

A handwritten signature in black ink that reads "Marlys K. Gaston". The signature is written in a cursive, flowing style.

Marlys K. Gaston, CPA  
Deputy Auditor of State

MKG/dld

## A. Letter of Transmittal

July 10, 2020

Mr. Chris Longer  
Finance Director  
Indianola Municipal Utilities  
210 West 2nd Avenue  
Indianola, IA 50125

Dear Mr. Longer:

For Indianola Municipal Utilities (IMU), managing your resources efficiently, maintaining compliance with regulations and keeping rates competitive amid ongoing budgetary pressure are essential considerations, particularly in the context of national economic uncertainty. Engaging a CPA and advisory firm that serves utilities and cooperatives nationwide can put you in touch with professionals who understand the complex regulatory pressures you face, and can help you demonstrate transparency and sound fiscal stewardship to your stakeholders. In addition, as you transition to an accrual-based system of accounting, you need to work with capable team who can help you have confidence in your approach. BKD CPAs & Advisors has helped numerous utilities to navigate similar challenges successfully—and we are ready to help IMU, too.

We understand IMU requires a Financial Statement Audit in Accordance with *Government Auditing Standards* and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance) for the years ending June 30, 2020, 2021 and 2022, for Electric, Water and Communications, as well as assistance as you transition your accounting from cash basis to accrual basis.

In addition to the benefits described throughout our proposal, BKD offers the following:

- ▶ Locally accessible advisors, including professionals who focus on providing telecommunications entities assistance with complex regulatory challenges
- ▶ A reputable national firm with extensive public sector expertise

We believe our proposal will help you select our firm for efficient and objective services delivered by experienced professionals. As the contact person for this proposal, you may reach me at 515.223.0159 or by email at [jrichter@bkd.com](mailto:jrichter@bkd.com). The address of our Des Moines office is provided in the letterhead above.

Sincerely,



Jessica R. Richter, CPA, CITP, CISA  
Partner



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## RFP Response

For the convenience of Indianola Municipal Utilities (IMU), BKD CPAs & Advisors has structured our proposal according to the requirements in your RFP. We believe our proposal will demonstrate our qualifications to serve IMU with a Financial Statement Audit in Accordance with *Government Auditing Standards* and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance) and to provide assistance as you transition your accounting approach from cash basis to accrual basis. Providing personal attention and frequent communication to our clients is what drives us—and delivering value beyond the basic service approach is among our top priorities.

### B. Profile of the Firm Proposing

**1. State whether the firm is a local, national or international firm and a brief description of the size of the firm.**

Founded in 1923, BKD is one of the largest national CPA and advisory firms in the United States. We have 40 offices located in 18 states. Our approximately 2,900 CPAs, advisors and dedicated staff, including approximately 300 partners and principals, serve clients in all 50 states and internationally. We offer a variety of accounting, audit and assurance, tax, risk management, technology, corporate finance, wealth management and forensics and valuation services. Our professionals combine the insight and ideas of multiple disciplines to provide solutions for clients in a wide range of industries, including not-for-profit, government, higher education, financial services, manufacturing, distribution, health care, construction and real estate.

**2. State whether the firm is in compliance with the registration and permit requirements to engage in the practice of public accounting within Iowa.**

BKD is properly licensed to practice public accounting in the state of Iowa.

**3. Describe the local office from which the work is to be performed.**

**a. Location of office**

**b. Current size of the office.**

**c. The size of professional staff by level, such as partner, manager and supervisor, senior and other professional staff.**

**d. The number of CPAs in the office.**

**4. Any other information required to describe the office which will be performing the work.**

### Local Office Profile

Led by Managing Partner Jeff Naig, BKD's Des Moines office offers focused tax, accounting and audit solutions to clients in industries including insurance, municipalities, manufacturing and distribution, agriculture, real estate, construction and telecommunications. BKD Des Moines is a member of the Iowa Association of Business and Industry, Junior Achievement of Central Iowa and Greater Des Moines Partnership. The office also supports United Way and the Blank Park Zoo.

### Des Moines Office Location & Staff Breakdown

IMU's requested services will be provided by our Des Moines office.

BKD CPAs & Advisors  
1401 50th Street | Suite 350  
West Des Moines, IA 50266

As of July 2020, BKD's Des Moines office has approximately 45 client service personnel, approximately 25 of whom have a CPA designation. A breakdown of relevant professionals by staff level is provided below.

Staff Level	Number of Personnel
Partner	8
Director	3
Senior Manager	2
Manager	2
Senior Associate II	3
Senior Associate	2
Associate	14

## C. Qualifications

1. Describe the recent local office auditing experience in similar types of audits to which the proposal relates. If appropriate, include regional experience in auditing similar types of entities.

### Relevant Experience

BKD offices firmwide provide audit, financial reporting, tax and consulting services to approximately 310 utility clients nationwide, including public power organizations, joint action agencies and rural electric cooperatives. Advisors in our Des Moines office and firmwide can offer their expertise to help IMU remain current on important issues while also helping you navigate challenges presented by increased environmental legislation and Federal Energy Regulatory Commission (FERC) and Rural Utilities Services (RUS) rulemaking guidance. Because we work with municipal utilities, telecommunications companies, cooperatives, generation and transmission organizations, Independent System Operators (ISO) and Regional Transmission Organizations (RTO), our team is armed with the knowledge to offer practical solutions that can help you increase efficiencies and identify areas that may require attention within your organization. Our understanding of the dynamics and governance of utility entities, along with our involvement in various regulatory and utility organizations, such as American Public Power Association (APPA) can bring added value to IMU.

### Your BKD Engagement Team

The most critical factor in providing high-quality service is choosing your engagement team. We take team selection seriously and have the appropriate team of advisors to meet your needs.

#### Engagement Team Experience

Jessica R. Richter, CPA, CITP, CISA

Partner

Engagement Role: Lead Audit Partner

Jessica has over 20 years of experience providing audit, tax and consulting services for school districts, public universities, state agencies, municipalities, telecommunications companies and other not-for-profit organizations. Jessica's specialties include financial reporting and auditing, financial projections and forecasts, due diligence, cost allocations, revenue assurance, cost separation accounting, loan applications, Single Audit (Uniform Guidance), bookkeeper training, business consulting and employee training.



She is a member of the American Institute of CPAs, Iowa Society of CPAs, the Accounting & Financial Women's Alliance and the ISACA. Jessica is a licensed CPA in Iowa.

Jessica obtained her CPA certificate in 2000 and her Certified Information Technology Professional (CITP) accreditation in 2008. In 2015, she obtained her Certified Information Systems Auditor (CISA) certification.

She is a 2000 graduate of University of Northern Iowa, Cedar Falls, with a B.A. degree in accounting.

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**Jacob D. Holman, CPA**

Director

Engagement Role: Audit Director

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Jacob is a member of BKD National Public Sector Group and has more than 12 years of public accounting experience, all with BKD. He serves as an engagement lead or designated reviewer for cities, counties, municipal utilities, electric cooperatives and governmental defined benefit plans. He provides audit, accounting and financial advisory services, internal control reviews, annual audit reconciliation preparation assistance and day-to-day procedure manual creation assistance. He also has been an instructor and presenter for seminars on new governmental accounting standards, including GASB Statement Nos. 74, 75, 67 and 68, both at BKD-sponsored events and Association of Government Accountants meetings.

He is a member of the American Institute of CPAs and Missouri Society of CPAs, Government Finance Officers Association (GFOA) and currently serves as a member of the GFOA's Special Review Committee (SRC) for the Certificate of Achievement for Excellence in Financial Reporting Program. He is on the board of directors and finance committee for Susan G. Komen of Kansas and Western Missouri, where he previously served as treasurer.

Jacob is a 2005 graduate of University of Missouri, Columbia, with a B.S. degree in business administration with finance and real estate emphases, and a 2007 graduate of University of Missouri, Kansas City, with an M.Acc. degree.

**Additional Resources**

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**Chris J. Lindner, CPA, CGFM®**

Partner

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Chris, a member of BKD National Public Sector Group, has more than 14 years of experience in public accounting, specializing in providing audit and consulting services to commercial, governmental and utility entities. He serves on the BKD Public Sector Center of Excellence, an internal committee of governmental leaders across the firm who discuss a variety of issues important to the public sector.

He is a member of the American Institute of CPAs and Nebraska Society of Certified Public Accountants where he chairs the State & Local Governmental Accounting & Auditing Committee. He also is involved with Leadership Lincoln, League of Nebraska Municipalities, Government Finance Officers Association (GFOA) and American Public Power Association (APPA).

Chris is a regular presenter at the Great Plains chapter of GFOA and APPA conferences, speaking on a variety of topics, including implementation of new accounting standards, financial reporting changes and internal control considerations. He also is a Certified Government Financial Manager® (CGFM®).

He serves on the Nebraska BKD Foundation Committee and on the board of directors for the YMCA of Lincoln.

Chris is a *summa cum laude* graduate of Peru State College, Nebraska, with a B.S. degree in business administration.

Amy K. Shreck, CPA  
Director

Amy is a member of BKD National Public Sector Group and has more than 13 years of experience working with governmental entities, not-for-profits and higher education institutions. She leads the BKD Public Sector Center of Excellence, an internal committee of leaders across the firm who discuss a variety of issues important to the public sector.

She recently completed a two-year term as a practice fellow with GASB at its headquarters, where she helped to formulate standards and assisted with technical inquiries. Amy's experience at GASB allows her to help clients better understand GASB standards and the thought process behind the standards.

Amy is a member of the American Institute of CPAs and Nebraska Society of Certified Public Accountants. She also is a frequent presenter at the Great Plains chapter of GFOA conferences, speaking on financial reporting changes, including new GASB statements and projects.

She is a graduate of Leadership Omaha Class 37. She previously served on the Goodwill Industries Serving Southeast Nebraska board of directors and the University of Nebraska-Lincoln School of Accountancy Junior Advisory Board. She currently serves on the Nebraska BKD Foundation Advisory Committee.

Amy is a graduate with highest distinction of University of Nebraska-Lincoln with a B.S. degree in business administration and an M.P.A. degree.

**2. Provide a listing of or the number of professionals in the office who are experienced in governmental auditing.**

Approximately 15 professionals in our Des Moines office have experience with governmental auditing.

**3. Described the availability of individuals within the firm who are heavily involved in governmental auditing and reporting and with whom the audit team may consult.**

BKD has a firmwide network of approximately 130 professionals who spend more than 50 percent of their billable hours providing audit services to governmental entities and exchange ideas and best practices on governmental auditing and reporting.

**4. Briefly describe the firm's system of quality control to ensure that the audit is adequately performed.**

Audit services are the centerpiece of BKD's assurance and compliance services. We work hard to maintain high standards of professional practice, including a strong system of quality control that emphasizes independence and objectivity. Our risk management program addresses a multitude of issues ranging from client acceptance to final working paper and financial statement review. Features of our quality control system include:

- ▶ All professional personnel are required to confirm their independence with respect to the firm's assurance clients annually
- ▶ The director of accounting and auditing, a partner independent of any client duties, is responsible for overseeing this process and making judgments on application of the independence rules
- ▶ We have rigid standards for acceptance of new engagements – unusually large or complex new engagements require the approval of National Office personnel
- ▶ All assurance engagements are reviewed by a second partner or manager who is not otherwise involved in providing services to the client
- ▶ We require numerous consultations with accountants well versed in difficult accounting or audit issues
- ▶ We conduct our own internal peer reviews regularly
- ▶ Our professionals average approximately 70 hours of training annually



## D. Scope of Services & Proposed Project Schedule

Briefly describe your understanding of the scope of services to be provided. Indicate a proposed time schedule for completing the field work, including the approximate dates you would perform field work, office review and report preparation. You must indicate the date the final report will be delivered to the General Manager to ensure presentations are made at regular meetings of the Board of Trustees. All presentations must be completed by December 31 of each year.

### Financial Statement Audit in Accordance with *Government Auditing Standards* & the Uniform Guidance

BKD's audit approach focuses on areas of higher risk—the uniqueness of your operations, the design of controls you have implemented and the nature of financial statement amounts and disclosures. Auditing standards (promulgated by the public accounting profession) set the technical requirements for our process, ultimately leading to the expression of our opinion on your financial statements.

We strive to deliver a better audit experience through effective technology and proven methodologies, as well as talented and experienced professionals supported by engaged leadership. Communication is one of the most important elements of our service. Our philosophy is to treat you and your team with candor and respect.

We focus on a smooth transition when onboarding new clients and an effective project management approach to deliver our services, including leveraging a secure client portal to exchange information with you. With our existing industry knowledge, we learn the specifics of your operations to assess risk, design our audit approach and gather and review evidence. The quality and content of our audit opinion is ultimately the measure of your and our success in this process.

### Compliance Audit in Accordance with the Uniform Guidance

BKD has experience in providing compliance audits in accordance with the Office of Management and Budget (OMB) requirements; many of our higher education, governmental and not-for-profit clients receive some sort of federal funding, either directly or indirectly. We use audit programs and checklists designed specifically for the federal programs we audit. In fact, our firm maintains a database of audit programs for those federal programs most often encountered among our clients.

Approximately one-third of our not-for-profit and governmental clients receive federal funding. Our extensive experience with compliance testing in accordance with OMB requirements can help provide IMU with a Single Audit performed properly and submitted on time.

### Proposed Timeline

Engagement Phase	Timing	Team Members
Planning & Interim Procedures, including Predecessor Auditor Procedures	Aug-Sept 2020	Partner/Manager
Inventory Observations	September 2020	Partner /Associate/
Testing Procedures (Fieldwork)	Sept-Oct 2020	Partner/Director/Associate
Presentation to General Manager/Board of Trustees	By December 31, 2020	Partner/Director

## E. Fees & Compensation

Provide the following information:

1. Estimated total hours.
2. Estimated out-of-pocket expenses.
3. The hourly rate by staff classification.
4. The all-inclusive maximum fee and out-of-pocket expenses per fiscal year audited, which will not be exceeded.
5. The frequency and timing of your billing process.
6. A separate cost schedule should be provided for a complete accrual audit of all municipal activities to correspond with the conversion from cash to accrual.

BKD knows our clients do not like fee surprises. Neither do we. Our goal is to be candid and timely, and we want to answer your questions about fees upfront. We determine our fees by evaluating a number of variables: the complexity of the work, the project's scope, the time we will spend and the level of professional staff needed.

We estimate your engagement will require approximately 290 hours to complete.

### All-Inclusive Maximum Fee

Indianola Municipal Utilities			
For the Years Ending June 30	2020	2021	2022
Financial Statement Audit in Accordance with <i>Government Auditing Standards</i> & the Uniform Guidance	\$36,500	\$38,000	\$39,500
Assistance with Accrual Conversion	\$4,000	N/A	N/A
<b>Total</b>	<b>\$40,500</b>	<b>\$38,000</b>	<b>\$39,500</b>

Out-of-pocket expenses are included in the proposed all-inclusive maximum fee. Our fees may increase if our duties or responsibilities change because of new rules, regulations and accounting or auditing standards. We will consult with you prior to commencing any work should this happen.

Our estimate of fees does not include any time that may be required to address a restatement of the previously audited financial statements or the adoption of new accounting standards such as GASB 84 or GASB 87.

Accordingly, any such work will be billed based on the following quoted hourly rates.

### Hourly Rates

Any work outside the scope of this engagement will be priced according to our hourly rates.

Staff Levels	Hourly Rates
Partner, Managing Director	\$340–\$450
Director, Senior Manager	\$210–\$330
Manager, Senior Associate II, Senior Associate, Associate	\$125–\$250



## How BKD Will Bill for Services

Our pricing for this engagement and our fee structure is based upon the expectation our invoices will be paid promptly. We will issue monthly progress billings during the course of our engagement and payment of our invoices is due upon receipt. Interest will be charged on any unpaid balance after 45 days at the rate of 10 percent per annum.

### **7. A list of references indicating name, address and contact information of clients that received similar services as noted within this RFP. Municipal references are preferred.**

Our clients are our best ambassadors, and we encourage you to contact them about their satisfaction with our services. The following clients have received similar services as noted within IMU's RFP and have consented to discussing BKD's services and service delivery with you at your convenience.

#### **Board of Public Utilities of Kansas City, Kansas**

540 Minnesota Avenue  
Kansas City, KS 66101  
Ms. Lori Austin  
Manager of Accounting and Finance/Chief Financial Officer  
913.573.9050

#### **Callaway Electric Cooperative & Callabyte Technology, LLC**

1313 Cooperative Drive  
Fulton, MO 65251  
Mr. Jason R. Vann, CPA  
Manager of Finance & Accounting  
573.642.3326

#### **NMPP Energy**

8377 Glynoaks Drive  
Lincoln, NE 68516  
Ms. Jamie Johnson  
Director of Finance & Accounting  
402.474.4759

In addition to the above 3 references, please see additional representative BKD, LLP Municipal and Utility Clients:

#### **Municipalities**

City & County of Denver, CO^  
City of Arvada, CO  
City of Aurora, CO^  
City of Balch Springs, TX  
City of Bedford, TX^  
City of Bellevue, NE~  
City of Bentonville, AR~  
City of Brookings, SD~  
City of Conway, AR  
City of El Paso, TX^~  
City of Fort Smith, AR^~  
City of Greenville, TX^

City of Greenwood Village, CO^  
City of Indianapolis & Marion County, IN  
City of Kerrville, TX^  
City of Lancaster, TX~  
City of Liberty, MO^  
City of Lincoln, NE^~  
City of Little Rock, AR^  
City of Lubbock, TX^~  
City of McKinney, TX^  
City of Nebraska City, NE~  
City of Nevada, MO  
City of North Richland Hills, TX^

City of Oklahoma City, OK^  
 City of Ralston, NE  
 City of Roanoke, TX  
 City of Springdale, AR  
 City of Springfield, MO^~  
 City of Texarkana, AR  
 City of West Des Moines, IA~^

City of Westminster, CO^  
 Jackson County, MO  
 Kansas City Public Library  
 Sedgewick County, KS  
 Town of Addison, TX^  
 Town of Highland Park, TX^

*^ Denotes client who received a GFOA's Certificate of Excellence in Financial Reporting*

*~ Denotes Single Audit client*

## Utilities

American Public Energy Agency  
 Arkansas Electric Cooperative Inc.~  
 Associated Electric Cooperative, Inc.~  
 Board of Public Utilities of Kansas City, Kansas  
 Central Plains Energy Project  
 City Utilities of Springfield~  
 Clarke Electric Cooperative, Inc.  
 Co-Mo Electric Cooperative, Inc.  
 Heartland Consumers Power District~  
 KAMO Electric Cooperative, Inc.  
 Lincoln Electric System  
 Little Rock Wastewater~  
 Midwest Energy, Inc.~  
 Mississippi County Electric Cooperative, Inc.~

Municipal Energy Agency of Mississippi~  
 Nebraska Educational Telecommunications  
 North Arkansas Electric Cooperative~  
 Oklahoma Electric Cooperative, Inc.~  
 Omaha Public Power District  
 Ouachita Electric Cooperative Corporation  
 Ozarks Electric Cooperative~  
 Prairie Power, Inc.  
 Public Power Generation Agency  
 Southwest Arkansas Electric Cooperative~  
 Southwest Power Pool, Inc.  
 Springdale Water Utilities  
 West Texas Municipal Power Authority  
 White River Valley Electric Cooperative~

*~ Denotes Single Audit client*

**8. Please provide a statement on your firm's ability to perform additional testing and reporting as may be requested by staff or the IMU Board of Trustees. If this is not included in the base services provided in the submission, please provide a written explanation, as well as identify any additional hourly charges, if these functions could be provided.**

BKD incorporates several audit techniques related to testing utility revenue including, but not limited to, analytical procedures, vouching of subsequent receipts, cut-off testing and review and analysis of IMU's allowance for doubtful accounts as part of our audit approach. If additional testing or reporting is necessary, or if you require assistance with matters such as implementation of GASB pronouncements, we will contact you to discuss additional hours and fees required before commencing work.



Everyone needs a trusted advisor.  
Who's yours?

**BKD**  
CPAs & Advisors

[bkd.com](http://bkd.com)

INDIANOLA MUNICIPAL UTILITIES  
**RESOLUTION NO. 2020-**

**RESOLUTION AUTHORIZING DENMAN & COMPANY LLP  
TO PERFORM AUDIT SERVICES FOR INDIANOLA MUNICIPAL UTILITIES**

**WHEREAS**, Indianola Municipal Utilities contracts for an annual audit and uses the information for reporting purposes to the State, Public Services Commission, Bond Holders, etc.; and

**WHEREAS**, Indianola Municipal Utilities issued a Request for Proposals (RFP) for auditing services for Fiscal Years 2020, 2021 and 2022; and

**WHEREAS**, there were two responses received as a result of the RFP; it is staff recommendation to award the proposal to Denman & Company, LLP of West Des Moines, Iowa for auditing services; and

**WHEREAS**, the Denman & Company, LLP proposal is effective from FY 2020 – FY 2022 to complete the audit of Indianola Municipal Utilities and is attached as Exhibit A; and

**WHEREAS**, the Board of Trustees believes it to be in the best interest of Indianola Municipal Utilities to accept the proposal for Fiscal Years 2020 through 2022 from Denman & Company, LLP in an amount not to exceed \$14,900 for FY 20; \$13,600 for FY 21 and \$14,000 for FY 22 for the IMU audit.

**NOW THEREFORE BE IT RESOLVED** that the Indianola Municipal Utilities Board of Trustees authorizes Denman & Company, LLP to provide Audit Services for the Fiscal Years 2020 through 2022.

Passed and approved this 13<sup>th</sup> day of July 2020.

\_\_\_\_\_  
Mike Rozga, Chairperson

ATTEST:

\_\_\_\_\_  
Jackie Raffety, Deputy City Clerk

**PROPOSAL FOR PROFESSIONAL AUDIT SERVICES  
INDIANOLA MUNICIPAL UTILITIES**



1601 22nd Street, Suite 400  
West Des Moines, Iowa 50266  
Phone (515) 453-1628  
Contact Person: David Ellis, Partner  
[www.denman-cpa.com](http://www.denman-cpa.com)  
e-mail: [dellis@denman-cpa.com](mailto:dellis@denman-cpa.com)  
July 8, 2020

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**DENMAN**  
& COMPANY, LLP

July 8, 2020

Ms. Chris Longer  
Finance Director  
210 W 2<sup>nd</sup> Avenue  
Indianola, Iowa 50125

Dear Ms. Longer:

We are pleased to present our proposal for audit services to Indianola Municipal Utilities. We will audit the financial statements for the year ended June 30, 2020, and the two subsequent fiscal years, in accordance with the standards outlined in the proposal. We will perform the audits within the time period presented in the proposal. The proposal includes our firm profile and qualifications, which will explain to you how our capabilities and experience make Denman & Company, LLP uniquely qualified to serve you. The attached outlines the terms of our proposal and is a firm and irrevocable offer for sixty days.

We appreciate this opportunity to present our proposal to you, which explains our capabilities and experience in governmental auditing. We would be pleased to discuss any aspect of this proposal with you.

Very truly yours,

DENMAN & COMPANY, LLP



David Ellis, Partner  
On Behalf of the Firm

Attachment

## FIRM PROFILE

Denman & Company, LLP is one of the largest Iowa based CPA firms and is comprised of eight partners, five managers, six supervisors, and over twenty-five other professional staff. We are a one office firm located in West Des Moines, Iowa. We have a total of thirty-one CPAs in our office. We are a member of the AICPA Division for CPA Firms and our CPAs are individually members of the American Institute of Certified Public Accountants and the Iowa Society of Certified Public Accountants and are licensed to practice in the State of Iowa. Our firm and all assigned key professional staff are in compliance with the registration and permit requirements to engage in the practice of public accounting in the State of Iowa. We offer clients a full range of accounting, auditing, tax and consulting services. Our Firm has been in practice for over sixty years and has been serving as independent certified public accountants for governmental entities since inception.

We are committed to quality and technical excellence. The Peer Review Program under the American Institute of Certified Public Accountants (AICPA) is an indicator of an accounting firm's quality. We have successfully completed our thirteenth independent peer review. The peer review determined that our practices and procedures comply with stringent quality control standards established by the AICPA. Our most recent peer review included a review of several governmental engagements, including the City of Pleasant Hill, Iowa.

We have submitted copies of audit reports to various Offices of Inspector General for desk reviews since the Single Audit Act and the Uniform Guidance have been effective. The desk reviews have always been satisfactory and have not resulted in field reviews of any of our audits.

We believe our Firm offers you a number of advantages including prompt attention to your needs, a familiarity and understanding of your service area, and the personal involvement of our partners and managers. **These partners and managers work personally with you to provide the professional services you require.**

Our service philosophy is focused on adding value. We view our role as business advisors who know your Utility, keep informed of current activities, and provide you with timely advice to help you achieve your goals. **Our considerable expertise with governmental entities allows us to provide you with more than an audit. We closely monitor applicable accounting issues and will promptly communicate interpretations of changes to you.**

We recognize our most important product is prompt and effective service of the highest quality. All our efforts are directed toward achieving that goal. We believe we can serve you to your complete satisfaction. **Accessibility and availability of partners and professionals to our clients is of paramount importance to us. The highest level of skills available to our Firm will be brought to bear on the servicing of your needs.**

To obtain further information as to our Firm, including the proposed engagement team, visit our web-site at [www.denman-cpa.com](http://www.denman-cpa.com).

## QUALIFICATIONS

### Average Staff Experience

The partners and managers of our Firm collectively have over three hundred years of experience in public accounting. A partner at Denman & Company, LLP has an average of thirty years of experience, a manager has an average of eleven years of experience and the professional staff average over four years of experience each.

Denman & Company, LLP performs audits for numerous governmental entities; all of the personnel involved with audits have governmental auditing experience.

### Government Auditing Experience

**At Denman & Company, we pride ourselves on being experts in governmental accounting and auditing, our Firm was one of the leading private firms in the State of Iowa in issuing governmental and Single Audit reports.** Our Firm has a total of twenty professionals who have met the educational requirements set out in *Government Auditing Standards* as issued by the Comptroller General of the United States and have participated in engagements subject to these standards and the provisions of Title 2, U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (the Uniform Guidance). These professionals are all available to be involved as needed in the performance of your audit. All of the individuals listed on the "Engagement Team Profile" who will be involved in the audit portion of the engagement have met the requirements noted above.

### Supervision and Review

We utilize a consistent program of planning, supervision and review of all engagements. It is the responsibility of the engagement partner to assure that all engagements are adequately planned and supervised. The engagement partner may delegate this function, but must be certain that all personnel assigned to the engagement are involved in the process to an appropriate degree.

An essential part of the planning is the development or updating of adequate information about the client to allow:

- An understanding of the industry and special characteristics of the client.
- Consideration of current economic conditions or external influences affecting the client.
- Determination of manpower requirements and time estimates.
- Arrangements to be made for work to be performed by specialized personnel.

It is the policy of our Firm that professional staff members are properly supervised by a qualified member of our Firm, normally a partner, during the performance of engagement procedures. The close supervision assures that adequate and proper engagement procedures are performed in the most efficient manner.

In accordance with our adopted quality control standards, all procedures performed and workpapers prepared by staff members are first reviewed and approved by the supervisory person. A second review is performed by a member of our assurance services committee that is considered to be a specialist in the industry. We feel the supervision and review procedures followed enable our Firm to assure our clients will receive high quality professional services.

## QUALIFICATIONS

### **Continuing Professional Education**

Our Firm's quality control document requires all professional personnel to complete a minimum of one hundred twenty hours of CPE in the last three calendar years, but not less than twenty hours every year. All professional persons are encouraged to include at least forty hours of accounting and auditing subjects each year in their continuing education.

Denman & Company, LLP will assure Indianola Municipal Utilities that all professional personnel will attend continuing professional education courses to meet the requirements set forth by the "Revised Yellow Book" published by the Office of Management and Budget (OMB).

### **Similar Engagements**

A small sample of our similar engagements follows:

<b>City of Waukee</b> Date of work: 2001 to present Governmental and business-type activities Single Audit	Contact: Linda Burkhart (515) 987-4522 Partner: David Ellis	300 hours
<b>City of Indianola</b> Date of work: 2018 to present Governmental and business-type activities	Contact: Andy Lent (515) 962-5246 Partner: David Ellis	200 hours
<b>City of Pleasant Hill</b> Date of work: 2012 to present Governmental and business-type activities	Contact: Dena Spooner (515) 309-9410 Partner: David Ellis	150 hours
<b>Story City Municipal Electric Utility</b> Date of work: 2005 to present Business-type activities	Contact: Mark Jackson (515) 733-2121 Partner: Jay Horn	140 hours
<b>Iowa Regional Utilities Association</b> Date of work: 2016 to present Nonprofit Association	Contact: Matt Mahler (641) 792-7011 Partner: Robert Holtzbauer	200 hours



## QUALIFICATIONS

**By their nature, professional services are inseparable from the people who deliver them.** We have assembled a team who has the experience and business skills you need. The team members who will serve you are committed to quality, teamwork, communication and service to our clients. You can look forward to continuing a strong professional relationship with them.

### **The engagement team assigned to service Indianola Municipal Utilities**

**David Ellis, CPA** will serve as overall engagement partner for this engagement. He will be responsible for ensuring adequate professional staff, with the appropriate level of experience, are utilized to provide you with the most efficient and effective delivery of service by professionals with a comprehensive understanding of governmental accounting. He has over thirty-four years of public accounting experience and has been associated with our firm for over twenty-four years. A majority of that time has been devoted to governmental accounting and auditing. He is licensed to practice as a certified public accountant in Iowa. He is independent with respect to Indianola Municipal Utilities, as defined by *Government Auditing Standards*. He has been involved with the audits of numerous cities and other governmental entities. He will be involved in the audit planning, internal control structure evaluation, audit program preparation, supervising performance of audit procedures and financial report review. Dave has received continuing education at the following courses: The Iowa Governmental Roundtable, Iowa Local Government Audit Update, AICPA National Governmental Accounting and Auditing Update, Performing Effective Yellowbook Audits, Implementing Risk Assessment and various other auditing courses. He is an associate member of Government Finance Officers Association. He has assisted clients in obtaining the GFOA Certificate of Achievement for Excellence in Financial Reporting and the ASBO Certificate of Excellence in Financial Reporting.

#### **Areas of Focus:**

Municipal Governments  
Higher Education  
Nonprofit Organizations

#### **Governmental Auditing Experience:**

City of Wauke  
City of Pleasant Hill  
Des Moines Area Community College

**Robert Endriss, CPA**, will serve as Manager. He has over nine years of audit experience, with a significant amount of time committed to governmental accounting and auditing. He is licensed to practice as a certified public accountant in Iowa. He will be responsible for audit planning, internal control evaluation, supervising audit fieldwork procedures and audit report preparation. He is independent with respect to Indianola Municipal Utilities, as defined by *Government Auditing Standards*. He has received continuing education through the Iowa Local Government Audit Update, The Iowa Governmental Roundtable, Governmental Accounting and Auditing Update and other related courses.

#### **Areas of Focus:**

Municipal Governments  
28E Organizations  
Nonprofit Organizations

#### **Governmental Auditing Experience:**

City of Wauke  
City of Indianola  
Metro Waste Authority

We would expect to use one or two additional staff members during the performance of the audit. Each staff member will have participated in governmental audits since joining our Firm and currently have similar responsibilities for other audits. Our Firm's policy is to attempt to maintain staff continuity on engagements. Circumstances may arise which may necessitate changes in scheduling audit assistants; however, we make every effort to establish consistency in staffing. We consult with client personnel in charge of the audit process on any changes in engagement staffing. Our clients do have the ability to request staffing changes.

## QUALIFICATIONS

We will work with you to assure that the staff assigned to the engagement provides the best service possible for the Utility.

Other supervisory personnel who have experience in governmental auditing and who are available for consultation are as follows:

Robert Holtzbauer, Partner	Over 35 years of experience
Jay Horn, Partner	Over 35 years of experience
Steve Bruner, Partner	Over 25 years of experience
Steve Schweizer, Partner	Over 28 years of experience
Mandi Holcomb, Partner	Over 18 years of experience
David Peirce, Manager	Over 15 years of experience

### Independence

We are aware of no relationship or condition which would impair the independence of our firm with respect to Indianola Municipal Utilities or any of its agencies or component units. Our Firm's policy is to comply with AICPA Professional Standards Volume 2, "Code of Professional Conduct, Bylaws, and Quality Control", and "Standards for Audit of Governmental Organizations, Programs, Activities and Functions" regarding matters of independence. We have not provided audit or other services for Indianola Municipal Utilities or any of its agencies or component units for the past five years which would impair the independence of the Firm with respect to Indianola Municipal Utilities.

## **PROPOSAL FOR SERVICES AND PROJECT SCHEDULE**

Our audit of the financial statements will be conducted in accordance with auditing standards generally accepted in the United States, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, Single Audit Act of 1984 (as amended in 1996), the Uniform Guidance, and Chapter 11 of the Code of Iowa. Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit will provide a reasonable basis for expressing an opinion on the fair presentation of the financial statements in conformity with generally accepted accounting principles for Indianola Municipal Utilities.

Our audit is subject to the inherent risk that material errors, irregularities, or illegal acts including fraud or defalcations, if they exist, will not be detected. However, we will inform you of any such matters that come to our attention. We will also communicate to you any deficiencies in internal control that we observe. During the course of our audit, we will try to initiate ideas or observations that we believe will help improve the operations of Indianola Municipal Utilities. It is our practice to bring such matters to the attention of the appropriate level of management either orally or in writing. Upon completion of the audit, we will meet with the management team to review the financial statements and comments and recommendations.

Our audit will be performed using a year-end audit approach. Procedures will be applied to account balances as of June 30, 2020. We will segment the audit by account type, cash and investments, accounts receivable, capital assets, accounts payable and accrued expenses, long-term debt, fund balances, State of Iowa compliance and operations. The level of staff assigned to each of these segments will be based on the materiality and audit risk associated with the account balance and activity. We will then design an audit strategy for each segment based on the risk and materiality. Audit strategies include testing each item (precision), sampling or analytical procedures. Sampling will be performed on all material account balances except for direct confirmation of amounts received from federal and state sources. Analytical procedures will be used on all immaterial account balances and revenue and expense accounts. Statistical sampling will be used when it is deemed efficient. For accounts with a relatively few number of large items making up the balance, a nonstatistical sample will be used. We will document internal control by use of questionnaires, job descriptions, flowcharts and observation. These questionnaires are also designed to help determine applicable laws and regulations and will be used to determine nature, timing and extent of tests to be performed.

## **PROPOSAL FOR SERVICES AND PROJECT SCHEDULE**

The engagement will include the following services:

- ❖ Audit of the financial statements of Indianola Municipal Utilities.
- ❖ Report on internal control and compliance related matters noted in our audit of the financial statements.
- ❖ Presentation of audit to the Board of Trustees.

A proposed time table for the completion of the engagement for the year ending June 30, 2020 is as follows:

- ❖ Field work—We will schedule final work to begin September 28, 2020. We anticipate this will take all or part of one week to complete. An exit conference with the Finance Director will be held during the week of fieldwork.
- ❖ Draft reports – Draft reports will be presented to staff by November 15, 2020.
- ❖ Final reports—We will deliver signed reports by December 15, 2020.

This proposed time table is dependent upon the receipt of the schedules and reports from IMU personnel in a timely manner.

## FEES AND COMPENSATION

**Our Firm is sensitive to your responsibility to control costs and we desire to help you achieve your business goals by providing cost-effective services. Our engagement team's experience with governmental entities enables us to deliver efficient services.**

It is not our policy to bill you for responding to routine inquiries or questions requiring no significant commitment of research time on our part. We prefer our clients consider us as year round advisors, a resource to assist with issues and questions. Professional fees for special projects requiring significant amounts of time will be negotiated and billed separately.

Our fees are based on the estimated time required by the individuals assigned to the engagement. Our fee proposal including estimated out-of-pocket expenses is as follows:

	Year ending June 30		
	2020	2021	2022
Financial statement audit	\$ 13,200	\$ 13,600	\$ 14,000
Cash to accrual adjustments	1,700	-	-
Additional testing as requested	*	*	*
	<u>\$ 14,900</u>	<u>\$ 13,600</u>	<u>\$ 14,000</u>

\*Additional testing may be requested by staff or the IMU Board of Trustees. These additional procedures will be negotiated separately at the hourly rates noted below.

The following schedule reflects our estimated professional hours. **The estimated professional hours for the 2020 fiscal year include anticipated start-up procedures in the first year of the overall engagement and the estimated hours necessary for the cash to accrual adjustments.**

	Year ending June 30		
	2020	2021	2022
Partner	25	20	20
Manager	70	50	50
In-Charge	50	50	50
Staff	40	30	30
Totals	<u>185</u>	<u>150</u>	<u>150</u>

**A schedule of hourly billing rates by staff levels is as follows:**

Partner	\$200 - \$250
Manager	160 - 180
In-charge	120 - 140
Staff	90 - 110

## FEES AND COMPENSATION

We will schedule our personnel consistent with the demands of your engagement and will keep our expenditure of time to the minimum consistent with quality of service and professional standards. Interim billings will be submitted as work progresses. Billings are due upon thirty days of submission.

We have indicated above the services to be included in our proposed fee. If circumstances arise during the course of providing those services which would require reconciliation procedures or which would cause additional work on our part, we would discuss those issues with the Utility's representative who oversees the audit process. We would encourage the Utility's staff to complete as many of these procedures as possible; however, if we are requested to do so, we would complete the work and bill the Utility at our standard rates.

We hope you get at least two strong impressions of Denman & Company, LLP. First, we offer a team of professionals who are experts at accounting and financial and management planning, for governmental entities. Second, we understand your Utility and the need you have for an accounting firm. We can assure you that the Utility will receive the best service available from Denman & Company, LLP. We would very much like to work with you and look forward to a positive response to this proposal and a long and mutually satisfying relationship. If you have any questions regarding this proposal, please contact us at your convenience.



Administering peer reviews for the following:

Illinois CPA Society | Indiana CPA Society | Iowa Society of CPAs | Kentucky Society of CPAs  
South Carolina Association of CPAs | West Virginia Society of CPAs | Wisconsin Institute of CPAs

March 20, 2019

David Ellis  
Denman & Company LLP  
1601 22nd St Ste 400  
West Des Moines, IA 50266-1453

Dear David Ellis:

It is my pleasure to notify you that on March 20, 2019, the Peer Review Alliance Committee accepted the report on the most recent System Review of your firm. The due date for your next review is September 30, 2021. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

*Peer Review Committee*

Peer Review Committee  
Peer Review Committee  
peerreview@icpas.org 800.993.0407, then dial 6  
Peer Review Alliance

cc: John Fisher, Mandi Holcomb

Firm Number: 900010016472

Review Number: 558825

Peer Review Alliance, an administering entity of the AICPA Peer Review Program:  
550 W. Jackson, Suite 900, Chicago, Illinois 60661-5742 | Phone: 800.993.0407 | Fax: 312.993.0307 | www.icpas.org





CliftonLarsonAllen LLP  
CLAAconnect.com

## REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

Partners of Denman & Company, LLP and the  
Peer Review Committee of the Peer Review Alliance

We have reviewed the system of quality control for the accounting and auditing practice of Denman & Company, LLP (the firm) in effect for the year ended March 31, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

### Required Selections and Considerations

Engagements selected for review included engagements performed under Governmental Auditing Standards (including compliance audits under the Single Audit Act) and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Denman & Company, LLP in effect for the year ended March 31, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Denman & Company, LLP has received a peer review rating of *pass*.

*CliftonLarsonAllen LLP*

CliftonLarsonAllen LLP

Bellevue Washington  
October 23, 2018





**IMU Regular Downstairs**

**10. A.**

**Meeting Date:** 07/13/2020

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**Information**

**Subject**

Discussion on an Investment Committee meeting.

**Information**

In your packet is a memorandum from City of Indianola Finance Director/City Clerk, Andrew Lent to the City Council on planning a meeting of the Investment Committee. The purpose of the meeting is to determine from which City-managed accounts funds owed to IMU should be derived and to serve as a final meeting of the joint City — IMU committee.

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**Fiscal Impact**

**Attachments**

Council Memorandum

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— CLERK/FINANCE DEPARTMENT —

**To:** Mayor and Council  
**From:** Andrew J. Lent, City Clerk/CFO  
**CC:** Ryan Waller, City Manager  
**Date:** 6 July 2020  
**Re:** Discussion and Direction-Investment Committee

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On the Council's agenda, Staff is requesting discussion and direction concerning the City's investment committee. A meeting of the committee is being requested by IMU staff prior to the separation of funds from the City's accounting system (Civic) to the IMU accounting system (eLation).

Almost all funds that IMU manages are in IMU-managed bank and investment accounts except for approximately \$680,000. This amount will become more accurate following the approval of the May and June Treasurer Reports.

IMU staff is requesting a meeting of the investment committee, first, to determine from which City-managed account the \$680,000 should be derived and, second, as a final meeting of the committee as we believe the City and IMU will make investments on their own as they manage their separate funds.

Since the Investment Committee has not met for quite some time, staff is recommending that the Council consider appointing the following to this ad-hoc committee:

- Council Member: Will require Council direction
- IMU Board Member: Adam Voigts
- Arlan Schrum, IMU Auditor
- Robert Endriss, City Auditor
- Doug Shull, City/IMU Treasurer
- Andy Lent, City Clerk/CFO

If the Council's direction is to proceed with the meeting of this committee, staff will work with IMU to determine a time and location for the meeting.

Meeting Date: 07/13/2020

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**Information**

**Subject**

Enter into closed session in accordance with Iowa Code Section 388.9(1) to discuss marketing and pricing strategies and proprietary information of the telecommunication division whose competitive position will be harmed by public disclosure that is not required of potential or actual competitors and no public purpose is served by such disclosure.

**Information**

Roll call to go into closed session is in order.

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**Fiscal Impact**

**Attachments**

*No file(s) attached.*

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